REGIONAL AFGHAN MUNICIPALITIES PROGRAM FOR URBAN POPULATIONS (RAMP UP) - SOUTH

LASHKAR GAH CITY:
Municipal Capacity Index (MCI) and Initial Management Assessment

April 2011
Contract No. 306-C-00-10-00527-00

Background

The Municipal Capacity Index (MCI) is a technology that was developed by Chemonics International in the Bosnian local governance context to conduct municipal capacity assessments. It was subsequently adapted to the Afghan environment as part of the RAMP UP-South project in the provincial capitals of southern Afghanistan. The methodology converts a complex set of qualitative data and presents it in a quantitative measurement for each municipality surveyed. The MCI surveys municipality capacity across the following four dimensions:

1 Municipal service delivery
2 Internal administrative, budgeting and financial management
3 Capacity of municipality to manage service delivery
4 Transparency and accountability.

Within each of the four categories, each question is graded on a five point scale. Most of the questions, unless otherwise stated, are following the same scoring progression:

- zero points: the municipality is not in compliance with the law or ideas espoused by the program;
- one point: the municipality is compliant with laws or has reached a minimum standard;
- two points: some additional steps have been taken to improve;
- three points: further steps have been taken, or better integrated, or taken with a view toward longer term planning;
- four points: citizen feedback is incorporated into the change or a more formal and comprehensive procedures have been adopted;
- five points: the municipality has reached the ideal level, impact is clearly recognized, and institutionalization is assured.

Scores are progressive. A municipality must meet all the criteria assigned to points 1, 2, 3 and 4 before it can be considered for 5 points. There were 18 questions used, so the maximum overall score for each municipality surveyed would be 90.

The tabulated data appears in Annex B and follows the rather jumpy approach of the original MCI questionnaire. For example, section 1, with the heading municipal service delivery overlaps with section 3 which is entitled "capacity of municipality to manage service delivery projects." Also, section 4, entitled "policy and accountability", misses some important developments for governance in the Afghan context that have been added in the report. For purposes of comparison with cities elsewhere in Afghanistan, it was decided neither to redraft the questionnaire nor to rearrange the order in which points were made. However, for the sake of clarity, this report diverges from the original questionnaire order and findings will be fleshed out, using a more linear and logical sequencing.

MCI Data will be made available and discussed with Mayors to spearhead the reform process in the form of Municipal Management Improvement Plans (MMIPs) in their respective municipalities. MMIPs will be a blend of two elements tailored to each municipality. The first will be in infrastructure and service delivery interventions through the funding of physical

investments. The second will promote institutional development and policy reform through technical assistance and training for municipalities in support of service delivery interventions.

Consequently, the MCI has a dual function: To highlight for the Mayors the respective strengths and weaknesses identified in their municipal government which will, in turn, inform the planning process for addressing shortcomings. For RAMP UP-South, the MCI is a tool to develop procedures for carefully monitoring and evaluating (M&E) project activities and for determining the pace and kind of results achieved by the project. As a tool to measure project performance, the MCI is expected to be conducted every six months to meet M&E requirements. As RAMP UP-South gains a greater understanding of the Afghan context, the MCI assessment will become more comprehensive.

Methodology

Baseline collection data was first conducted in Pashtu by Afghan staff in the course of a three day visit between February 28 to March 3, 2011 with full support from the Mayor and his associates. Almost all directors were interviewed, including the director for revenue generation, the director for the engineering department, the district managers of the four districts, the administration officer, finance and accounting personnel who all represent key informants for the project engagement.

A follow-up assessment took place subsequently with expatriate staff to verify preliminary findings, incorporate additional comments to the original snapshot and provide further insights to the MCI content. The original scoring by local staff was occasionally altered for some items to better reflect the capacity in the municipality, based on other information sources. USAID Municipal Governance Strategic Framework for Municipal Governance in southern Afghanistan provided the inspiration for the additional questioning. Interviews took place with RAMP UP-South office staff in Lashkar Gah, both local and expatriate. Interviewees were forthcoming with information except for budget and financial management issues. In most cases, detailed information could not always be verified. The venue for the interviews was RAMP UP-South office in the city.

At the time of writing, RAMP UP South had already started several low key activities with mayoral support. The MCI proved useful in re-orienting the project's inputs and outputs and to pave the ground for a realistic and practical MMIP. Lashkar Gah was the second municipality surveyed for RAMP UP-South after Kandahar City.

City Profiling

Historically also called Bost, Lashkar Gah is a city in southern [Afghanistan](#) and the [capital](#) of [Helmand Province](#), located in [Lashkar Gah district](#), at about 3 hours distance from Kandahar city by road. The province is mostly arid and desolate, except for farming along the Helmand River. The first impressions when touring the city are that of a well run city with broad tree-lined streets in fairly good and clean condition by Afghan standards. The city is deployed in a grid like pattern, common in the United States. American engineers present in the fifties modeled the vast Helmand irrigation project on the Tennessee Valley Authority in the US. Lashkar Gah is sometimes called "little America." The Soviet occupation and the ensuing conflict put an end to

the prosperity of a city that had become the bread basket of Afghanistan. In recent years, it has undergone large scale development with roads, markets, parks and new residential areas constructed.

There are currently 4 districts in Lashkar Gah. All districts include rural, urban and peri-urban perimeters. District 2, the fashionable district is the revenue generating part of the city, with many elegant villas lining up the Helmand riverside. District 4, where current Mayor Mohammed Dawood resides, is an up and coming area which hosts several important factories for the local economy, most notably a cotton factory and an alabaster factory. Districts 1 and 3 are less significant than the other two, politically, administratively and fiscally.

In the light of the massive territorial and demographical expansion of the city, an application has been submitted to the Independent Directorate of Local Governance (IDLG) in Kabul to petition for the establishment of 4 additional districts. According to this plan, the city would have 18 sub-districts instead of the current 12. In all likelihood, this prospect would dramatically redraw the municipal map from a local governance standpoint.

Estimates indicate that its population amounts to 200,000 inhabitants although only 94,000 people are officially registered. The city has expanded in part due to a large influx of Internally Displaced People (IDPs) of Pashtu origin. These people came from the city of Badghis, in northwestern Afghanistan in the wake of a brutal ethnic cleansing by the Tajik majority after 2001. They have brought with them relative prosperity to the city, mostly as business owners, wealthy traders and car owners.

LASHKAR GAH CITY: MUNICIPAL CAPACITY INDEX (MCI) AND INITIAL MANAGEMENT ASSESSMENT

Key Finding

Lashkar Gah municipality performs rather poorly overall. The MCI score reflects a fairly fledgling municipality with a limited capacity to provide basic services as often encountered in Afghanistan, specially in the southern provinces.

The Municipal Workforce

As in all Afghan municipalities, the Mayor as well as the Deputy Mayor and all Directors are political appointees by the centrally controlled IDLG in Kabul. The current Mayor, Mohammed Dawood, is not from Lashkar Gah but comes from Laghman Province. His influence extends to the capital because of his personal connections with key national counterparts in Kabul. This focus may explain why he lacks wide popular support in the city.

The organizational charts in Lashkar Gah municipality can be extremely deceptive. The Mayor works with trusted inner circles and overrides the hierarchical order as indicated by the organizational chart. The traditional way of working remains that of a fairly autocratic system. From an organizational development perspective, there is scope for much improvement in Lashkar Gah municipality with RAMP UP-South assistance.

According to the current manpower allocation (*Tashkeel*), the municipal headcount reveals 58 official municipal positions and 179 contractor posts in the 1389 year (which coincides with the Afghan solar year and began on March 21, 2010). All of these *Tashkeel* positions are filled, unlike in other southern cities of Afghanistan such as Kandahar, Qalat or Tarin Kot. The municipality has applied for 100 new positions to the IDLG in the new financial year to boost the municipality's human resources capacity. This prospect provides an encouraging development from a capacity building perspective to RAMP UP-South and offers real potential of institutional progress.

The salaries are abysmally low in Lashkar Gah, as in all municipalities in Afghanistan, ranging from 60 US $ a month for the lowest grade to 100 US $ a month for the Mayor himself. At the time of the survey, there was no talk of raising the salary levels nor seeking an exemption for Lashkar Gah municipal staff. There is no automated payroll system in the municipality but instead a manual process whereby the department of administration sends attendance sheets to the finance department for calculations of salaries and payments release. The final form requires mayoral approval before salaries could be dispensed by the cashier.

As in many Afghan municipalities, the general skills set of municipal employees appears to be extremely low. Most employees have only high school education (Grade 12). The services department employs a single BA graduate. Only 3 engineers in Lashkar Gah municipality obtained a BSc in Engineering. Their knowledge of English is very limited. Their ages range between 40 and 50.

Most employees lack the basic IT skills to lift the capacity in the municipality. Staff has no knowledge of Microsoft excel programs for the design and maintenance of simple databases. The 10 computers scattered around the municipality building are mainly used for correspondence purposes. There is an IT room next to the Mayor's room. The municipality also has desk tops, a scanner, printers and, 2 laptops bought from municipality funds.

Communications with Citizens

The municipality does not understand the concept of strategic communications with citizens. The Mayor, a political appointee, strives to maintain a strong local presence but his interests firmly remain in Laghman Province.

For basic PR purposes, the municipality produces a one-page color document with donor-funded assistance which also features advertisements and municipal announcements. In this document, the Mayor is seen to take personally the credit for municipal improvements. In a recent issue, citizens were urged to pay their taxes on time for their houses, markets, warehouses and commercial areas to attract better municipal services in the future.

No facility exists in Lashkar Gah that can fully support citizen requirements that can be considered a citizen's service desk. Municipalities in Afghanistan are not accustomed to provide service desks for citizens to access easier, more pleasant and professional services. Furthermore, the concept is totally alien to the Afghan culture, more inclined to promote networks of personal relationships through elders or community leaders when they wish to seek information, air grievances or resolve disputes.

Traditionally, citizens turn to their district managers in their respective district offices for basic information and communications. Only in case of applications for a permit or license, do citizens refer to the Mayor himself or his Deputy in his absence.

The current municipality building, surrounded by high walls, requires citizens to go through the services of a concierge and slowly go up the chain until the Mayor is finally reached. No log book records visitors except for security reasons. The Mayor intervenes to look at the completed documentation for an application, signs to confirm an approval and refers citizens to the responsible departments with an order. Citizens are then sent accordingly to the competent person(s). The absence of delegated authority is striking in Afghanistan and Lashkar Gah municipality is no exception. The Mayor centralizes the decision making process in Afghanistan and embodies municipal authority almost singlehandedly.

The municipality is due to be housed in a new building, funded by DFID and built by a UN-Habitat contractor in the next few months. It is premature to conclude that the new building will enable different more citizen-friendly practices to take place as traditional practices remain very entrenched in Afghanistan.

On the subject of complaints, a more complex picture emerges, whereby two systems coexist side by side, making the whole system cumbersome but nonetheless visible and functioning. At the instigation of IDLG, suggestion boxes have been set up throughout the city in a bid to capture citizen sentiments towards municipal performance. Officials interviewed quote the existence of a box system which goes directly to the Mayor for those complaints directed at municipal employees. In the case of those complaints directed at the Mayor or at the Deputy Mayor, the box is placed at the Governor's office in the city. Alternatively, some of the boxes are also found in schools or hospitals, for example.

Occasionally, the mayor sends an official to randomly collect objections. Since the letters are mostly anonymous, sometimes they are plainly abusive towards the Mayor.

In parallel to the box system, there is a powerful oral system of complaints whereby the mayor receives the citizens in the small meeting room (*Shura* room) on Saturdays, Sundays and Mondays from 10 am to 1 pm. On average 100 people can see him in the course of a morning. People commonly turn up for one-to-one meetings, occasionally as a delegation. The proceeds are very informal. The Mayor would use the services of his secretary to take notes, or would record his own notes on a simple notebook.

So far no disaggregated data exists to elicit information about the nature of the complaints filed. RAMP UP-South polls due soon in Lashkar Gah could provide much needed feedback in this regard.

Processes

As for policies, processes and procedures, those that exist mostly do so at the instigation of the IDLG in a bid to instill good governance practices in the municipalities. In accordance with municipal law, there are defined policies and procedures for procurement, transparency and auditing, licensing and permits, tax collection, property management and land distribution that the IDLG strives to embed in municipal systems. In the absence of any formalized municipal association, it is mostly with IDLG that municipalities entertain constant relationships rather than

with each other, either via emails or occasionally the post office. The regular Mayors' conferences presided by IDLG provide an important forum for Mayors to provide critical feedback and share their experiences of new processes.

One of the high volume transactions is the issuance of licenses, permits and land registration titles which raise revenue for the municipality. Consequently, the processes are a little more established than for other municipal services. The first Master Plan in the municipality dates back 37 years. The municipality uses today a 5 year old plan which is currently being updated. It consists simply of a map with smaller plans for each district that can be consulted on request at the municipality. In recent months, the Master Plan has been forcibly implemented by the current Mayor who has reclaimed large chunks of municipal land from illegal occupants. The Master Plan serves also as the key document for the planning of roads forecasted by the municipality. Officials have quoted enthusiastically the building of a new 15 km road which would, allegedly, be paid by municipal funds.

The budgeting and accounting process of the municipality perform its basic functions, according to the national regulations. There are developed procedures and modules for tracking and reporting the municipality revenues. The weaker ring of the chain is the auditing of the accounts, as the municipality lacks the resources to monitor its own expenditures. Revenues collected by the municipality, although limited, are up to their annual target.

In the Afghan context, the impetus for scrutiny of municipal accounts is driven by external agents. IDLG investigators undertake municipality audits once a year and presidency audits occur twice a year to verify the accounts of the municipality. A month ago, a report was sent to Kabul and shared with ministers, which contained important announcements regarding Lashkar Gah expenditure. On the down side, the municipality has no internal audit function.

Financial Management

In the past few years, Lashkar Gah municipality has been praised for having been able to dramatically raise its revenue. According to a recent municipal press release, in the Afghan fiscal year 1388 (which coincides with the Afghan solar year and began on March 21, 2009) the revenue rose from 42 million AFs to 142 million AFs. For the subsequent fiscal year, the revenue jumped to 333 million AFs, a commendable improvement for the municipality, being generated both from taxes and the proceeds of land sales. From the point of view of RAMP UP-South, it remains critical to assist the municipality in expanding its tax base and improve its revenue generation with the project input.

As another symptom of very entrenched traditional practices, budget priorities are mostly determined on the basis of consultations with elders and community leaders in the city local districts, without any particular focus being institutionalized to cater for the needs of the youth or of women. RAMP UP-South has been promoting the cause of local women by supporting the creation of a women's bazaar, a bakery, home-based income generating projects, basic care for the 2,000 city widows, women's parks and a separate service operation for them to access municipal services.

In budget terms, RAMP UP-South project needs to address the extent of the mismatch between municipal needs and the ability for the municipality to respond positively in the near future. The

engineering department was singled out by interviewees as representing the largest share of the municipal budget, since it is mandated to deal with construction and reconstruction work. However, the city's critical needs for decreasing traffic congestion and improving business connections with Kandahar city go vastly beyond municipal resources. To name but one example, the up and coming plan for a new bus terminal in district 1, remains entirely dependent on donor-funded assistance.

Aside from the resource issue, municipal staff demonstrated a good understanding of the difference between capital expenditure and operational budget. All accounting functions remain basic and manually recorded at Lashkar Gah municipality. The general budget allocations are separate and every municipality department is able to make this differentiation in its accounts. Nevertheless, the municipality ran out of funds to finance the fuel costs associated with electricity generation for its own generator in the course of last financial year. However, the concept of a proper, stand alone Capital Improvement Plan (CIP) is far too ambitious at present for a city such as Lashkar Gah as is commonly the case for most Afghan cities.

The concept of a CIP extends currently far beyond the municipality's capacity, due to the budget shortfall but also because the concept presupposes that the municipality has a strategic management ability to manage properly its assets base. At present, it lacks the managerial, planning and monitoring skills as well as the work tools to implement such strategic management.

Service Delivery

By Afghan standards, Lashkar Gah municipality meets its solid waste management obligations reasonably well, having the use of 10 dump trucks to perform the task throughout the city. Money allocations for fuel and maintenance appear to be sufficient to undertake this function internally and effectively. It is worth pointing out that the current economic climate would not lend itself well to outsourcing this function to a private operator. Uncompetitive pricing and a poor track record in paying its contractors make of the municipality an unattractive partner for the Lashkar Gah private sector.

As is the case for other Afghan municipalities, Lashkar Gah municipality suffers from a problem of perception. For example, the water configuration in Lashkar Gah with a saline river and a marshy environment means that wells are easily polluted by septic tanks seeping into the soil. 191 out of 1000 children die of water born disease before the age of 5 in Lashkar Gah every year. Popular programs on RTA (Radio Television Afghanistan) such as "What do People Say?" have indicated that the municipality is seen incorrectly by citizens to be assuming the responsibility for the provision of clean water to cook and clean. A separate agency is mandated for this function in Lashkar Gah as in all major cities and provincial capitals in the country.

Looking forward

The forthcoming elections of a municipal council in Lashkar Gah mark the beginning of a new era for municipal governance in Afghanistan. This ground breaking development gives effect to Article 141 of the Constitution, which states that: "to administer city affairs, municipalities shall be established. The mayor and members of municipal councils shall be elected through free, general, secret and direct elections. Matters related to municipalities shall be regulated by law."

The government of Afghanistan has also acknowledged the existence of policy commitments made in the Cabinet in March 2010.

From a RAMP UP-South perspective, the municipality will have to respond positively to greater demands for accountability and transparency. Meanwhile, the 25 members of the new council will be subject to an induction training on their mandate thanks to a Department for International Development (DFID) initiative. The induction will cover training on their new roles and responsibilities, relationships with the municipality, needs assessments and gap analysis. DFID is hoping to bring about a municipal development plan, aligned with the Afghan budget cycle at the beginning of June 2011 with adequate resources allocations for all relevant items. The intention is to bring about a budget proposal with the shortfall picked up by the Ministry of Finance.

Conclusions

In the light of these findings, it was felt that the MCI still requires further adaptation to be customized to the Afghan context, perhaps for the next round of municipal assessments. For this assessment, it was a deliberate decision to over emphasize the topic of municipal communications with citizens to capture Afghan ways of operating a municipal system.

In the near future, the establishment of a fully elected municipal council presents Lashkar Gah municipality with a new entity and a new set of challenges, of a more western kind. The municipality will have to meet its current municipal functions while dealing with a new powerful mechanism of accountability. In this emerging political landscape, RAMP UP-South has an opportunity to assist the municipality in meeting this ambitious task. The forthcoming Municipal Management Improvement Plan (MMIP) will couch on paper how the project envisions its assistance as practically as possible to build the capacity of this institution.

ANNEXES

A. Key Organization Charts
B. Municipal Capacity Index Spreadsheet
C. Graphs

Annex A
Key Organization Charts

Lashkar Gah Municipality
Organization Chart

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                    MAYOR
                   Hon. Hajj
                   Mohammed
                    Dawood
                       |
                 DEPUTY MAYOR
                Hajj Abdelsamad
                    Tobagar
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ADMINISTRATION	DISTRICT 1 DEPARTMENT
SERVICE DEPARTMENT	DISTRICT 2 DEPARTMENT
FINANCE DEPARTMENT	DISTRICT 3 DEPARTMENT
ENGINEERING DEPARTMENT	DISTRICT 4 DEPARTMENT
TRANSPORT DEPARTMENT	
MARKET DEPARTMENT	
SOLID WASTE DEPARTMENT	
WATER & IRRIGATION DEPARTMENT	
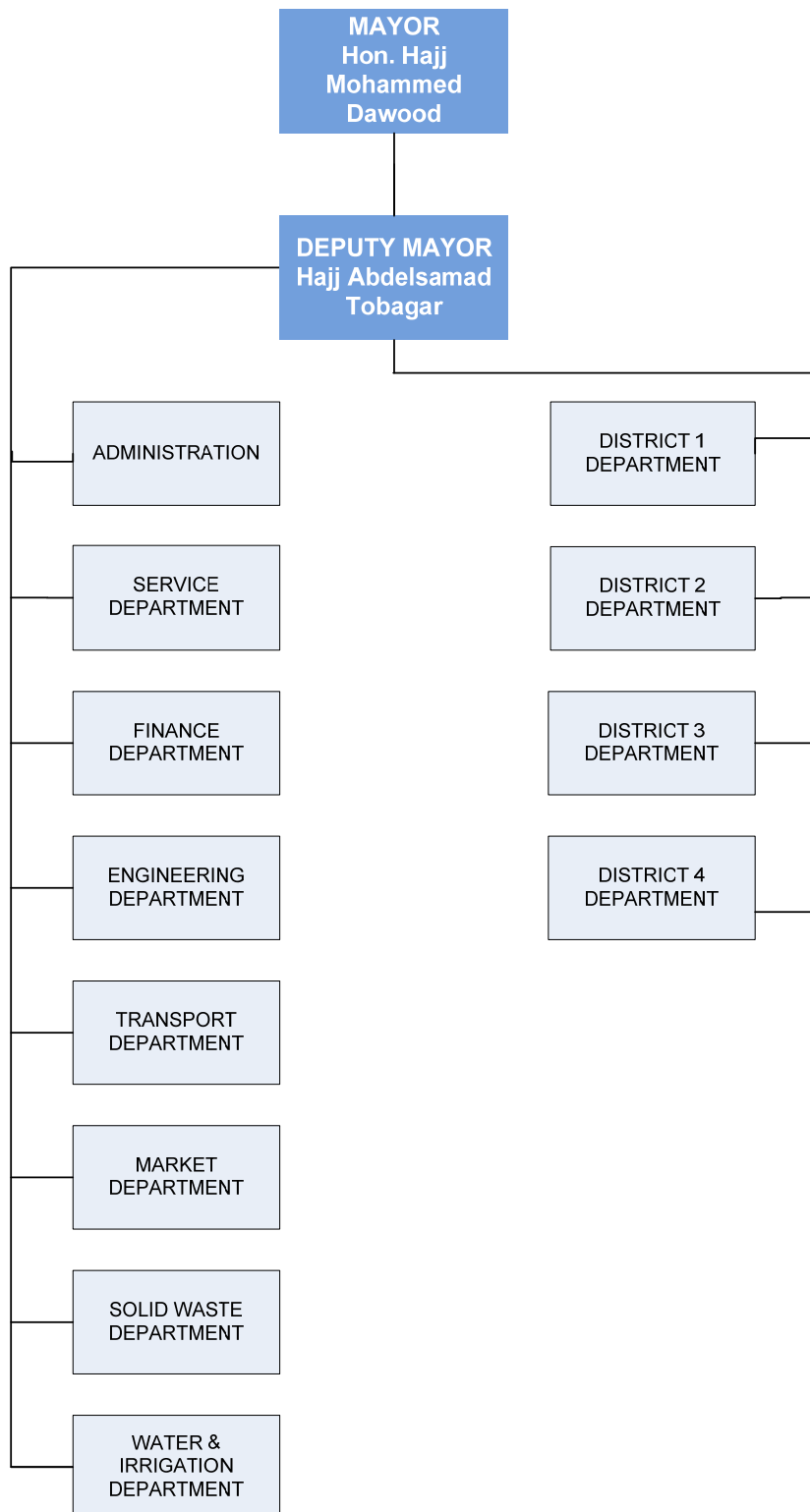
Lashkar Gah Municipality
Finance and Accounting Department

FINANCE/ ACCOUNTING DEPARTMENT DIRECTOR

CASHIER

ADMINISTRATOR — CLERK

HEAD OF THE VOUCHER DEPARTMENT — CLERK

PERMITS

CONTROL DIRECTOR

DIRECTOR OF INCOME — CLERK, CLERK, CLERK
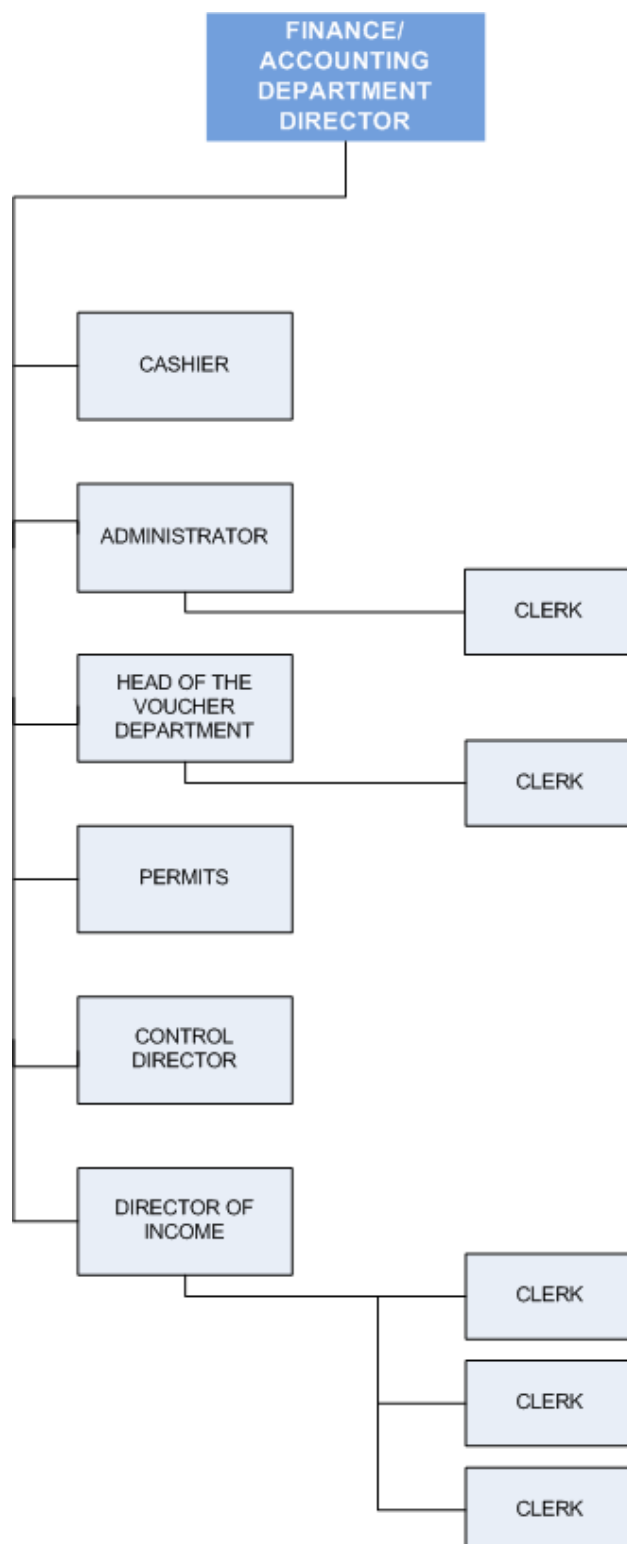
Lashkar Gah Municipality
Services Department

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          SERVICES
         DEPARTMENT
          DIRECTOR

         ADMINISTRATION
             CLERK

         PROCUREMENT CLERK

         CLERK OF LOGISTICS

         CLERK FOR HOTELS

         CLERK FOR HOTELS
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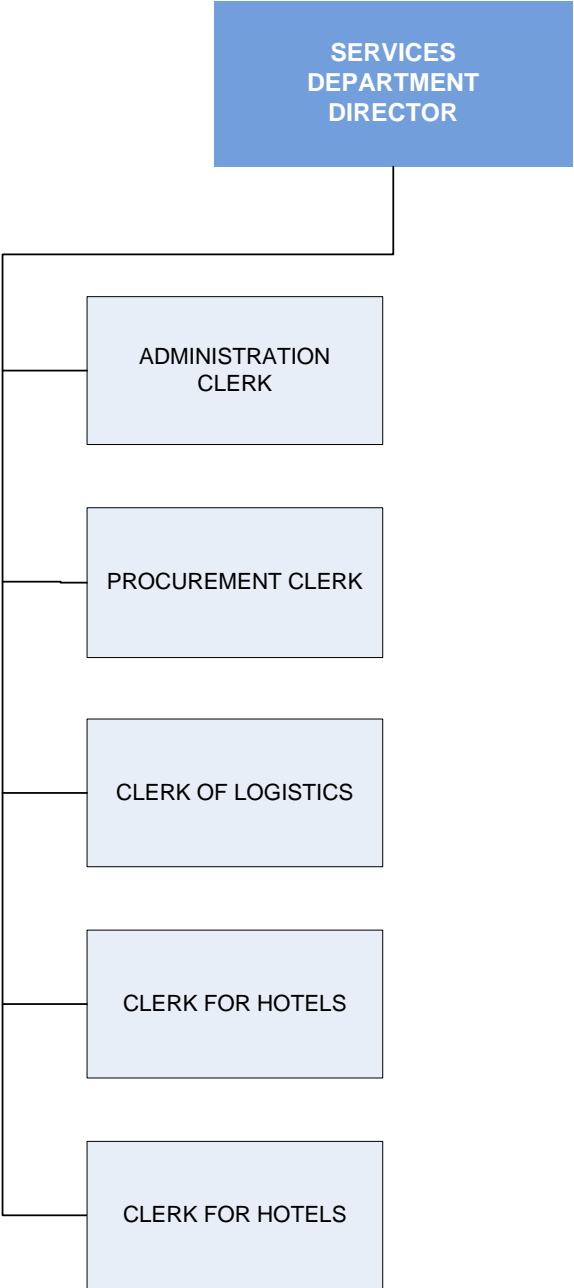
Lashkar Gah Municipality
Engineering Department

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                    │   ENGINEERING   │
                    │   DEPARTMENT    │
                    │    DIRECTOR     │
                    └────────┬────────┘
                             │
        ┌────────────────────┘
        │
        │   ┌─────────────────────────┐
        ├───│       ESTIMATIONS       │
        │   └─────────────────────────┘
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        │   ┌─────────────────────────┐
        ├───│      DRAWING MAPS       │
        │   └─────────────────────────┘
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        ├───│      DRAWING MAPS       │
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        ├───│     ADMINISTRATION      │
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        ├───│   BUILDINGS and         │
        │   │   DRAWINGS              │
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        ├───│    BoQ PREPARATION      │
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        │   ┌─────────────────────────┐
        ├───│       SURVEYING         │
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        └───│        ENGINEER         │
            └─────────────────────────┘
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Annex B
Municipal Capacity Index Spreadsheet

n.	Municipality capacity index Section / Question	Points 90	Answer	points	total 40
1	**Service delivery**	**30**	**Municipal service delivery**		**12**
1.1	Citizens services desk		**Municipality has Services Desk that is Accessible and Convenient**	0	
		0	Municipality has no Citizens' Services Desk. If there is, the Desk is not accessible and/or inadequate	0	
		1	Municipality has a basic Service Desk with staff providing limited information about services and has manual document tracking		
		2	Municipality has an operational Service Desk staffed by persons who provide information about many services and are able respond to some questions about permits and licensing applications and procedures		
		3	Municipality has a fairly complete operational Service Desk that has the potential of receiving fees for licenses and permits applications; has an accurate document tracking system; and, has a complaints mechanism in place		
		4	Municipality has a completely operational Service Desk whose manual records are ready to migrate to database matched with a competent staff to handle the system. There is signage and/or written materials with explanations to citizens		
		5	Municipality continuously improves internal procedures and updates database for eventual computerization of records and has competent staff providing complete, accurate and updated information to customers including information concerning external institutions involved in licensing and permits procedures		
1.2	Citizens services system policies, procedures, processes		**Municipality has Policies, Procedures and Processes for Attending to Requests for Services**	1	
		0	Municipality has no defined policies, procedures or processes		
		1	Municipality has some defined and documented policies, procedures and processes	1	
		2	Customers are aware of the municipal services and know where to obtain information about them		
		3	Municipality has established ongoing evaluation and improvement of internal and external municipal services procedures		
		4	Municipality has updated and improved the permits and licensing procedures and has made these services available in customers' service desk		+
		5	Municipality has started to develop a 1-stop municipal service desk supported by information to customers through brochures, pamphlets, and process flow charts		
1.3	Permits & licensing system with processes		**Municipality has Functional Permits & Licensing System, with Established Processes**	3	
		0	Municipality has no systems and procedures created for all permits and licenses of which the municipality is responsible		
		1	Municipality has established a functional systems and procedures for applying for and obtaining some permits and licenses		
		2	Municipality has a customer service desk attended by competent staff able to give necessary information on relevant procedures and application documentation concerning permits and licensing		
		3	Municipality has a dedicated customer service desk with improved permits and licensing system and has mainstreamed mechanisms for transparency to reduce the possibility of corruption and graft	3	

			4	Municipality has an accessible, dedicated customer service desk attended by staff who are able to address legal and administrative issues concerning permits and licenses services and needs; with established fees for services visibly posted in the vicinity; and, a complaint box for customers			
			5	Municipality efficiently operates a one-stop-shop operation for the whole system of permits and licensing procedures run by competent personnel and has an active mechanism for anti-corruption and graft in place			
1.4	Manual records & systems for Permit & licencing system			**Municipality has up-to-date and Complete Manual Records and Systems that can be Migrated to Data-based Records Systems that Support Permits & Licensing Applications Procedures & Processes**	4	
			0	Municipality keeps its records and data in manual form and information on processes and procedures are incomplete and/or out of date			+
			1	Municipality is updating some licensing and permits documentation and procedures in preparation for eventual migration to data-based systems; while document tracking, archiving and recording of data are still in manual form -- with parts of the permitting procedures are performed in external organizations			
			2	Municipality permits photocopying of forms for customers and has the potential for internal electronic document tracking of applications for licenses and permits			
			3	Municipality has started preparing all forms, procedures and processes for all services to enable them to migrate to data based application systems			
			4	Municipality has efficient manual systems and procedures for internal document tracking and for municipal-specific records but is incapable of efficiently tracking procedures that are performed in external organizations	4	
			5	Municipality is ready to migrate all forms, records, documents and procedures for all services to data based records			
1.5	City zoning office			**Municipality has City Zoning Office and how effective it is**	2	
			0	Municipality does not have any zoning regulation. The residential and commercial entities can build or rehabilitate any structure within the City boundaries without any prior approval by the local government			
			1	Every property in the city has zoning classification that determines how the property can be used (permitted uses). Municipal zoning officials should be consulted for any information regarding interpretation of zoning district boundaries, ordinance text, or hard copy maps if they exist			
			2	A permit is required for any use of land or structures other than a single family dwelling (for example, a commercial business, a multi-unit dwelling structure, etc.). Zoning approval is required for all new construction and for any changes in use of the property, including extensions/additions, garages, parking pads, fences, decks, signs, etc.	2	
			3	Zoning office utilizes Geographical Information System (GIS) to convert the official paper maps on file in the Planning Office to a digital format using Geographic Information Systems (GIS)			
			4	Assuming that zoning regulations are established and fully administered by the municipality, the municipal staffs are integrally involved in the development of these maps to ensure they are accurate. The maps are provided in PDF format			
			5	The municipality offers customer service center where public/customers can come look at any public files. Municipal contact numbers have been listed for this purpose. The zoning office has established set operating hours. The municipality has established "Frequently Asked Questions" (FAQ)			

1.6	Municipality service orientation toward individual citizens		**Municipality is Service-Oriented toward the Individual Citizen**		2	
		0	Municipality has no organizational and citizen relations programs and activities			
		1	Municipality has a feedback-gathering mechanism for collecting suggestions and complaints from citizens			+
		2	Municipality has administration's policies and procedures for handling complaints & suggestions, and takes steps to address complaints and suggestions from citizens		2	
		3	Municipality conducts citizens´ surveys and communicates with the citizens			
		4	Municipality adopts measures to assess and improve its performance and works towards a citizen service-oriented administration			
		5	Municipality adopts professional development plan for staff and continuously takes steps to improve its performance to becoming perceived as a citizen service-oriented municipality. There is publicity about the service desk that informs citizens about the services municipality provides for individual citizens			
2	**Internal budgeting and financial management**	**20**	**Municipal Internal Budgeting and Financial Management**			8
2.1	Budget system		**Municipality has Budget Process, Budget Calendar and Complies with the Provisions and the Timelines Set in the Budget Rules and Regulations**		2	
		0	Municipal administration does not have any budget process and demonstrates no understanding of the importance of compliance with the provisions for budget adoption			
		1	Municipal administration has a budget process. The administration demonstrates basic understanding of the importance of compliance with budget process with the provisions and the timelines and deadlines set in the budget laws but fails to adopt the annual budget plan by the deadline set in the budget law			
		2	Municipal administration have good budget process and demonstrates good understanding of the importance of compliance with the provisions, timelines and deadlines set in the budget laws and adopt the annual budget plan by the deadline set in the budget law. The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets		2	
		3	Municipal council is involved in the budget process. The governing body demonstrates understanding of the importance of compliance with all the provisions, timelines and deadlines set in the budget laws. The budget proposal is submitted by the administration to the municipal council for review and adoption			
		4	Municipality demonstrates good understanding of all the relevant laws that influence revenue collection and has transparent expenditure reporting procedure. The governing body and the administration promote community involvement in prioritizing the initiatives to be funded by the municipal funding			+
		5	Municipality has implemented automated budgeting system to streamline the budget process. The municipal budget appropriations, expenditures, available balances and all revenue information are readily available to promote great level of efficiency, accountability and transparency. The municipal administration and the municipal council demonstrate excellent understanding of the importance of compliance with all the provisions and the timelines and deadlines set in the budget laws and adopt the annual budget in time			

2.2	Accounting system		**Municipality has Accounting Process, Accounting Calendar and Complies with the Provisions and the Timelines Set in Accounting Rules and Regulations**	1	
		0	Municipality has no financial mechanism in the accounting function. Accounting activities are recorded manually		
		1	Municipality has basic manual accounting function (such as but not limited to General Ledger, Payroll, Fixed Asset...). The modules in use are not integrated	1	
		2	Electronic spreadsheet is being used (such as excel, lotus…) but is not customized to meet municipality's needs. General Ledger cannot generate reports based on all required classifications (economic, organizational, functional, fund). The accounting records and reports are not accurate		
		3	Municipality has basic financial accounting system with modules in the accounting functions (General Ledger, Payroll, Fixed Asset...). The modules in use are integrated. Software can be customized to meet municipality's needs. Some staff have the basic accounting skills for posting accounting records and transactions to the General Ledger. The accounting records and reports are not accurate		
		4	Finance department with responsibility for managing municipal revenues utilize Accounting Modules to post most financial transactions directly to the General Ledger in the integrated financial system. Accounting records and reports are accurate		
		5	Municipality uses integrated software-based programs that are recognized as an essential tool that enables improving the way in which the accounting function works, the municipality plans and executes budgets, monitors the collection of local taxes and other revenues. Entered financial transactions enable cost accounting methodology. The municipality has generally reliable and timely financial information and can usually generate reports on a regular basis that are reasonably complete and accurate. Financial reports are beginning to be useful in decision making process		
2.3	Internal audit system		**Municipality has Internal Audit Process, Audit Calendar and Complies with the Provisions and the Timelines Set in Audit Rules and Regulations**	0	
		0	Municipality collects own-revenues but has no mechanism for monitoring revenue collection	0	
		1	Municipality collects revenues from more than two major sources and has basic manual mechanism (spreadsheet, log…) but still fails to monitor the actual execution of the planned revenues, resulting in poor execution of planned revenue collection		
		2	Municipality responsibly collects more than 50 percent of the municipal own-revenues that are available according to the MC/MAs decisions but still fails to collect some revenues due to lack of proper decisions by MC/MAs in accordance with the higher level regulations		+
		3	Municipality responsibly collects most municipal own-revenues that are available according to the MC/MAs decisions and has basic software database to help manage the collection process. Municipal Councils have adopted all relevant decisions so that revenues from all possible sources can be collected by the municipality. Collection is monitored in a transparent manner but still there is space for improvement in this segment as no rulebook defining the roles and responsibilities of the different municipal departments/staff is in place		+
		4	Municipality responsibly collects revenues from most available municipal own-revenue sources. The data is effectively managed through the use of integrated financial system. Collection is monitored in a very transparent manner, adequate rulebooks are in place, but are not followed at all times, as there are some exceptions to the rules, resulting in a failure to meet planned target sums		

		5	Municipality responsibly collects revenues from most available municipal own-revenue sources. The data is effectively managed through the use of integrated financial system. Through effective use of various tools and reports, the collection of the revenues is monitored in a very transparent manner; adequate rulebooks are in place and are followed at all times. All planned revenues are collected or exceeded in accordance with the plan		
2.4	Own-revenue collection along annual budget plan		**Municipality Executes its Own-Revenue Collection in Accordance with the Annual Budget Plan**	5	
		0	Municipality collects less than 10% of the overall planned municipal own-revenues or if municipality uses planning methods that result in unrealistic budgets and revenue collection targets		
		1	Municipality collects between 11-25% of the overall planned municipal own-revenues		
		2	Municipality collects between 26-50% of the overall planned municipal own-revenues		
		3	Municipality collects between 51-70% of the overall planned municipal own-revenues, and this can be reasonably attributed to having realistic budget planning methods that permit establishing realistic revenue collection targets		
		4	Municipality collects between 71-90% of the overall planned municipal own-revenues, and this can be reasonably attributed to having realistic budget planning methods that permit establishing realistic revenue collection targets. The municipality most of the time follows internal policies, procedures that regulate the revenue collection		
		5	Municipality collects between 91-100+% of the overall planned municipal own-revenues, or exceeds the budget plan and this can be reasonably attributed to having realistic budget planning methods that permit establishing realistic revenue collection targets. The municipality always follows internal policies and procedures that regulate the revenue collection. Revenues are being expended, following legal requirements and all policies and procedures	5	
3	**Capacity to manage service delivery projects**	**20**	**Capacity of Municipality to Manage Service Delivery Projects**		**6**
3.1	Municipal grants		**Municipal grants**	1	
		0	There are no activities in developing grant-funding application skills		
		1	A person has been trained in grant-funding-related skills (i.e proposal writing and project management modules)	1	
		2	Trained person is successful in identification of at least one new source of grants funding during a given calendar year		
		3	Municipality submitted at least one completed proposal for potential grants funding during a given calendar year		
		4	Municipality submitted more than one completed proposal for potential funding during a given calendar year		
		5	At least one proposal has been approved for funding by potential donors during a given calendar year		
3.2	Participation of citizens & business community in identifying citizens needs		**Participation of Citizens & Business Community in Identifying Citizen Needs**	3	
		0	Municipality does not conduct citizen participation and/or similar activities, to learn about citizen and business needs		
		1	Municipality occasionally conducts citizen participation and/or similar activities, to learn about citizen and business needs		
		2	Municipality conducts citizen participation and/or similar activities, that are scheduled and the citizens and business community are aware of them		

		3	Municipality has formal admin systems and procedures in place for capturing citizen and business community expression of needs	3	
		4	Municipality concretely addresses at least one citizen and/or community need from each citizen and/or business community participation activity		
		5	Municipality not only has an effective process in place, and concretely addresses at least one citizen and/or community need from each citizen and/or business community participation activity, but municipality also has empowered some citizens' and business community representatives as task forces to liaise directly with municipal administration in the design, planning and execution of activities agreed on during the participation activities		
3.3	Capacity in managing Capital improvement projects (CIP)		**Municipalities' Capacity in Managing Capital Improvement Projects (CIP)**	1	
		0	Municipality has no personnel knowledgeable in how to conduct CIPs, and if municipality has showed no interest in creating a function in the organization for managing CIPs	1	
		1	Administration has initiated creating and staffing up an administration that will could competently manage CIPs		
		2	Municipality has created the policies and procedures and systems required for managing CIPs, and if there are some staff members in place, who are receiving up-skilling in multi-year financial forecasting and other related CIP-specific subjects		
		3	Municipality staff have learned how to and have actually drafted a CIP plan, but was never adopted		
		4	Municipality staff have adopted a CIP plan and have started implementation of at least one plan of CIPs; and have established an assessment procedure for gathering evidence of its expected results		
		5	Municipality's CIP plan has contributed to increase of capital budget vs. operational budget		
3.4	New and improved work processes		**New and/or Improved Work Processes in Place & Functioning**	1	
		0	Municipality has no staff familiar and/or knowledgeable in work processes analysis and work flow mapping		
		1	Municipally staff have a few key staff members in the organization who have the basic skills sets, knowledge and background experience required to be good candidates to receive training in work processes analysis and mapping	1	
		2	Municipality has staff (either existing or newly-hired) who are learning process mapping (flow charting) and who are learning to distinguish between key and support work processes in the administration		
		3	Municipality staff have learned process mapping and have begun to map out the "as is" work process of at least one key work process		
		4	Selected staff have identified how to improve at least one key work process and have produced a mapping of the improved work process		
		5	Upper management has received and approved an Action Plan for improving at least one key work process, and if the work process is being improved (and new work procedures are being written up), staff are following the new, improved work process		
4	**Policy and accountability**	**20**	**Policy and accountability**		**11**
4.1	Participation in process of policy reform		**Municipality has no staff in place who have the skills sets and knowledge and background experience required to undertake steps/actions in the area of policy reform**	0	
		0	Municipality is taking concrete actions to employ staff with the skills sets, knowledge and background experience required to work in the area of policy reform	0	

		1	Municipality has the staff on board who are beginning to participate in data gathering for identifying specific policy changes/proposals; and, if required, are taking focused up-skilling programs to bolster their capacity in this area			
		2	Municipality has begun identifying what critical areas of policy change and / or formulation they need to work on, and have initiated work on that (those) priority policies			
		3	Municipality has formulated proposals for policy change, legislation change, and the like			
		4	Municipality actively promotes and/or advocates policy/legislation change and reform critical to their interests			
		5	Policy/legislation active promotion			
4.2	Involvement in information sharing with IDLG or other cities		**Municipality is Actively Involved in Information Sharing with IDLG or Other Cities**		4	
		0	Municipality has taken no steps to develop relationships or learn from the work of other municipalities, or from the work of IDLG, in the past year			
		1	Municipality attend IDLG events to learn about success or other issues			
		2	Municipality occasionally take lessons learned from IDLG or other municipalities and try to implement in their own municipality			
		3	Municipality regularly communicates information about their own programs, issues and successful experiences with IDLG and other municipalities			
		4	Municipality routinely is involved in two-way communications with IDLG and other municipalities, to share information about programs, issues and successful experiences		4	
		5	Municipality actively participates in strategy- and information-sharing, and uses information for developing new policies, projects, services and so forth			
4.3	Role in improving intergovernmental communication		**Municipality's Role in Improving Intergovernmental Communication**		**3**	
		0	Municipality takes no steps to help improve intergovernmental communication			
		1	Municipality takes steps/actions to define community or municipal needs for potential intergovernmental communication of those needs			
		2	Municipality takes initiatives to communicate directly with other levels and entities of government			
		3	Municipality share information with other government entities in an organized and ongoing manner		3	
		4	Municipality actively engages in joint efforts with other levels and entities of government, to solve problems; make legal reviews; or implement projects and programs			
		5	Municipality actively participates with other levels and entities of government in joint work groups for problem solving; legal reviews; or implementing projects and programs			
4.4	Policies, procedures for public procurement compliance		**Policies, Procedures for Public Procurement in Compliance with the Public Procurement Laws, Policies & Procedures**		**4**	
		0	Municipality does not have Public Procurement policies, procedures and its laws and by-laws. Municipality has no internal guidelines or policies and procedures on public procurement. The staff conducting public procurement are not trained for conducting public procurement. The municipality has no specific procurement function. Procurement plans and reports are not being created			

		1	Municipality minimally complies with Public Procurement policies, procedures and its laws and by-laws. Municipality's functions/roles in the process are not defined and employees are not clear as to who prepares tender documents and public procurement notices and whether it is a role of the evaluation committee. There may be an Evaluation Committee, but the mandate and tasks of the evaluation committee are not specified and/or updated	
		2	Municipality has begun to develop internal guidelines, policies and procedures on public procurement. Functions/roles in the process are beginning to get defined and staff have received initial, basic training on public procurement and staff are beginning to be given individual roles and proper assignments to prepare tender documents and public procurement notices. Municipality has a procedure for creating a neutral evaluation committee	
		3	Municipality is aware of and uses standard tender documentation and has written up its internal guidelines on direct agreement implementation, as required by the laws and by-laws for Public Procurement. Municipality is beginning to comply regularly with Law, policies and procedures on Public Procurement. Indicated staff have a desire for additional training. The public procurement process itself is beginning to get mapped out, and all the roles and functions in the process are beginning to get defined. The committee mandate has been written up in compliance with standard Law, policies and procedures	
		4	All procurements are conducted according to regulations. The Municipality is aware of and applies practices of standard tender documentation and has its internal guidelines on direct agreement implementation as required by Law. The municipality's organizational structure has been adapted for and now includes a public procurement function, which is being set up in the administration. The municipality is reviewing and updating all internal policies and procedures for public procurement. The Municipality has created an annual procurement plan and has begun to implement it in accordance with the administration budget. Evaluation committee now has a mandate and description of roles and responsibility of committee members, including the rotation requirements for members, to ensure technical competency for reviewing specific procurement; committee includes permanent members who are highly knowledgeable on the law; and has begun to hire external technical experts as required for specific procurements	4
		5	Municipality fully complies with Law on Public Procurement and accompanying by-laws; and if all of the following conditions are met: - The Municipality staff have initiated and/or received training on public procurement implementation and the law, and the municipality HR department has ongoing plans for training employees as the law changes - The municipality has an established process for planning annual public procurement activities, and does not deviate from the adopted budget for procurement	

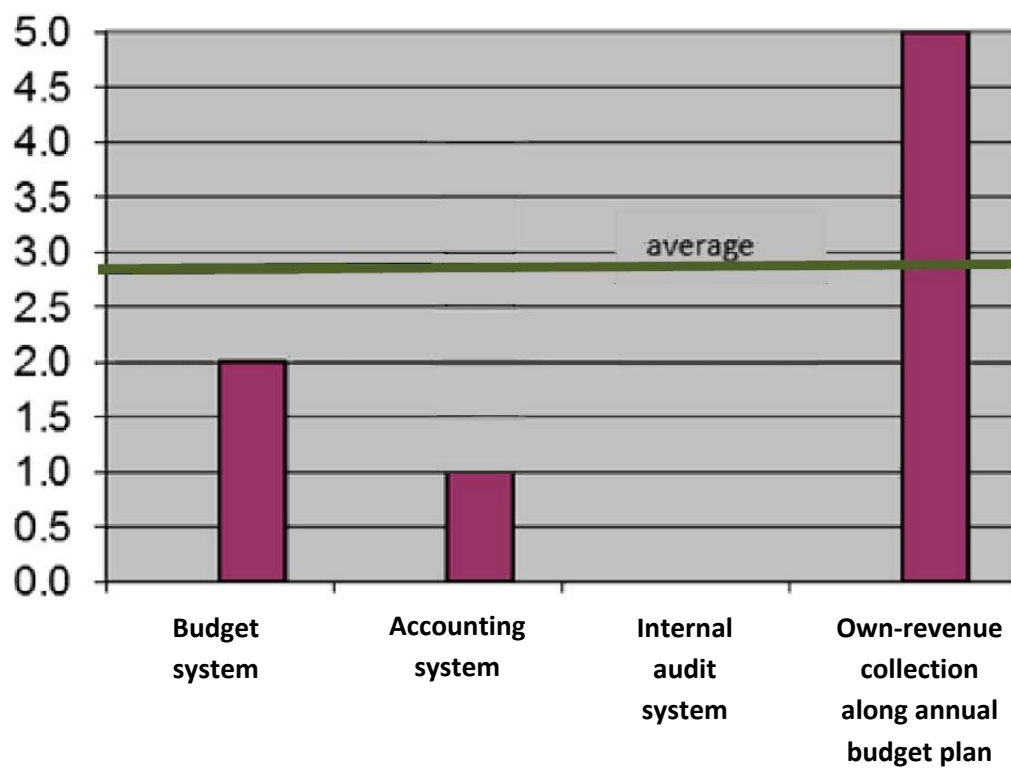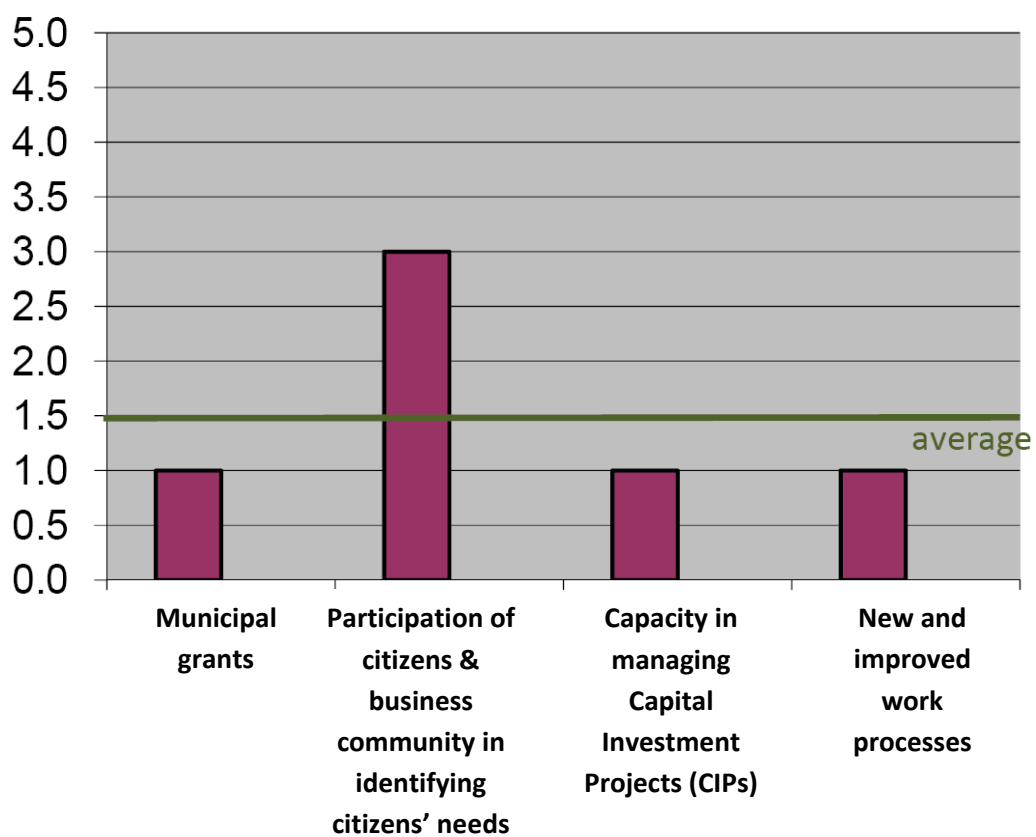|					
		- The evaluation committee members' duties and their terms of reference are clearly defined by the Mayor on a regular basis, in accordance with the committee mandate and policies. The committee operates as an effective review and oversight function, in addition to providing all technical and/or legal support that ensures that all procurement activities and decisions obey Law - The evaluation committee members change in accordance with the specific procurement but the committee always includes some of the evaluation committee members knowledgeable on the law as well as technical experts for specific procurements. As need be, the municipality hires external experts. The procurement reports are being sent to the Agency for Public Procurement on a regular basis and within the time frame set out in the law - Procurement activities are conducted according to Law and regulations. Internal and external audits show that procurement function (both systems and procedures) is operating correctly and according to Law, policy and procedure		

Section 1. Municipal Service Delivery
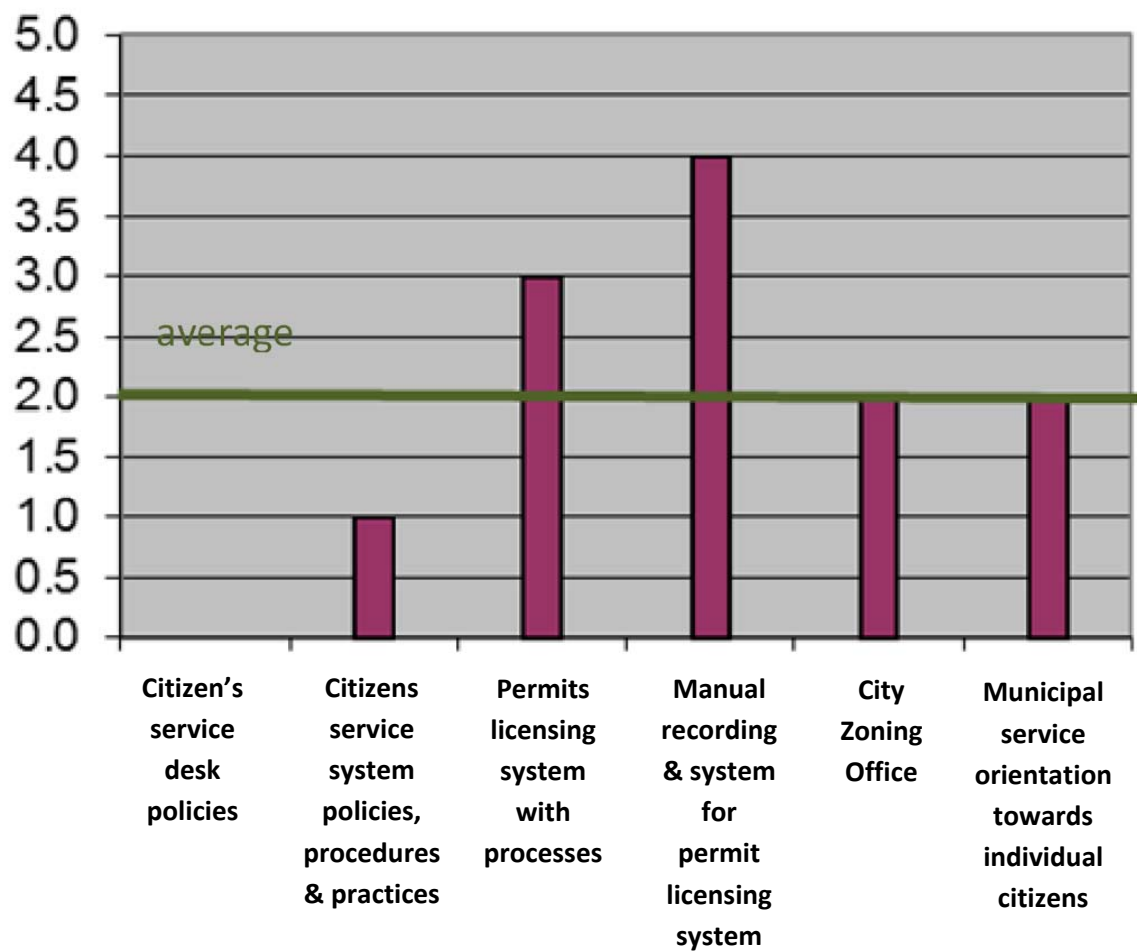
Section 2. Municipal internal budgeting & financial management

Section 3. Capacity of municipality to manage service delivery projects

Bar chart. Vertical axis scaled 0.0 to 5.0. Bars: Municipal grants = 1.0; Participation of citizens & business community in identifying citizens' needs = 3.0; Capacity in managing Capital Investment Projects (CIPs) = 1.0; New and improved work processes = 1.0. A horizontal line at approximately 1.5 labeled "average".

Section 4. Policy and Accountability

Chart showing values for Policy and Accountability categories with an average line at approximately 2.8:
- Participation in processes of policy reforms: (no bar)
- Involvement in information sharing with IDLG or other cities: 4.0
- Role in improving inter-governmental communication: 3.0
- Policies, procedures for public procurement compliance: 4.0

MCI overall average